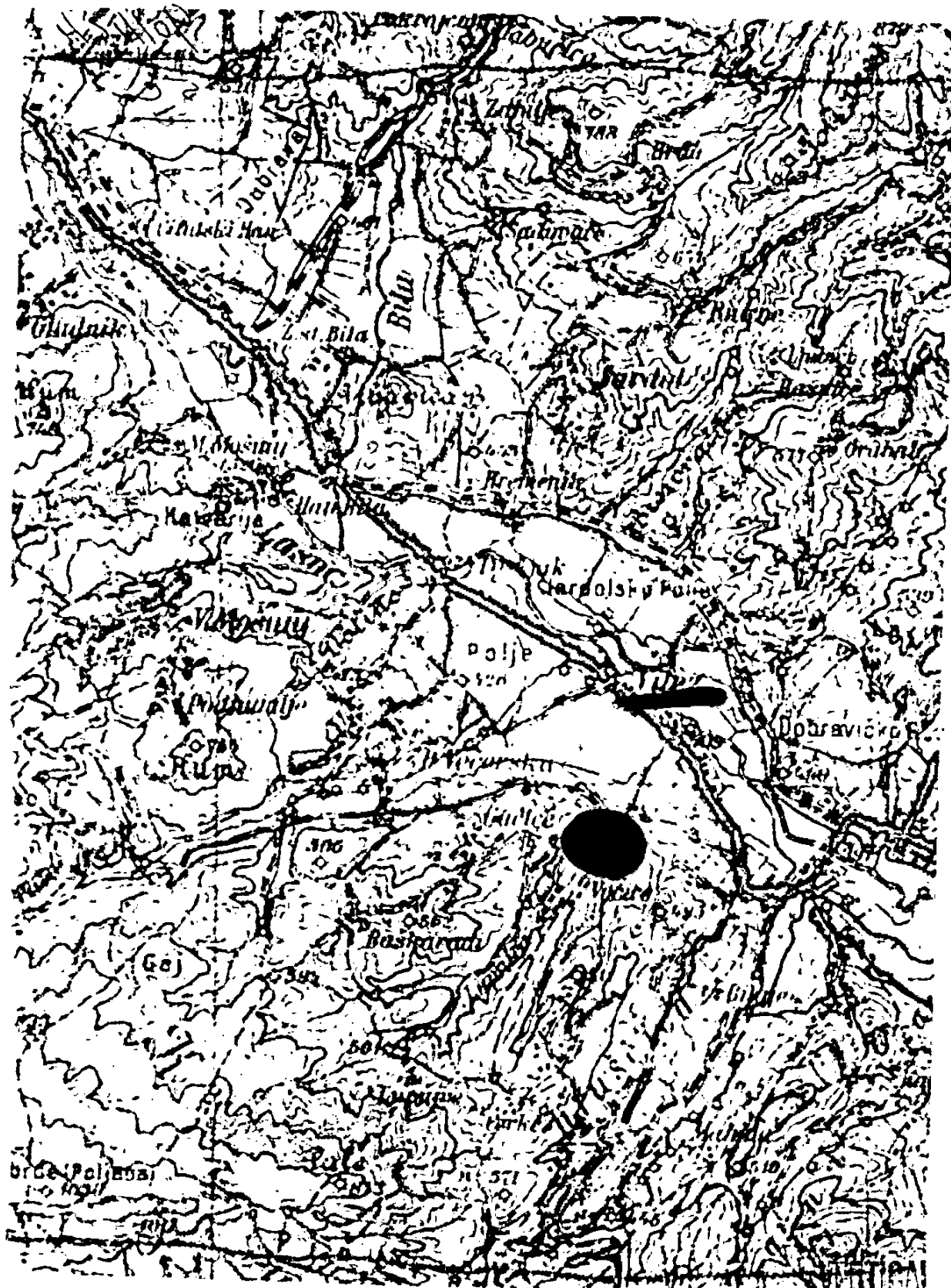


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COUNTRY Yugoslavia

REPORT

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SUBJECT "Princip Seljo" Industrial Complex;
Production of Ammunition and Explosives

DATE DISTR.

1 JUL 1963

NO. PAGES

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REFERENCES

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DATE OF INFO.

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THIS IS UNEVALUATED INFORMATION. SOURCE GRADINGS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE.

1. The Princip Selja industrial complex was built during the years 1949-1955; new constructions and remodelling are currently in progress, however. The complex is connected to the town of Vitez, Bosnia, by a new military road, closed to civilian traffic. About 500 meters from the complex there is a military post which checks the identity of every driver and visitor to the factory; visitors are given special passes issued by the factory. The complex is about 3½ - 4 km. from Vitez, in a fairly narrow valley, below benchmark 495, and near the small village, Vocice. The complex is not visible from the national highway Travnik-Vitez-Lasva-Zenica; it can only be seen from the immediate vicinity.
2. The complex is composed of several new industrial pavilions and workshops in addition to buildings assigned to the laboratory administration for chemical analysis, etc., and numerous underground magazines. Some of the industrial pavilions extend underground in the steep sides of the mountain.
3. The enterprise is directly subordinate to the General Directorate of War Industries in Belgrade and all production is carried out under the supervision of the Military Technical Institute (VTI: Vojno Tehnicki Institut). Military inspectors arrive constantly from Belgrade, and the factory produces only materiel which has received prior approval of the VTI.
4. About 350 technicians and industrial experts and about 2,000-2,500 specialized and militarized workers are employed in the factory.
5. External and internal security is the responsibility of a company of industrial militia and a unit of the KOS (military counterespionage). The complex is entirely surrounded with barbed wire and guarded by a roving patrol at all times.

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6. Production includes the following:

- a. Gunpowder; Ecrasite; plastic; TTR dynamite.
- b. Charges for all types of infantry and artillery ammunition
- c. Charges for mines of every type in use in Yugoslavia
- d. Charges for hand grenades
- e. Charges for maritime mines
- f. Charges for depth bombs
- g. Poison gas. In this respect, [] the factory produces the poison gas and that it is loaded into aerial bombs. According to workers, this gas is a Yugoslav invention and is fatal at the slightest contact.
- h. Tear gas bombs are also filled here.

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- 7. Production was begun on a limited scale in 1952; since 1957, however, the factory has operated on a basis of three shifts of 8 hours each per day.
- 8. In general, the production is absorbed by Yugoslav requirements; about 30% has been exported to various countries, such as Indonesia, Burma, the UAR, Sudan, and Algeria, and after 1961, also to countries of the East Bloc, such as Rumania, Hungary and Bulgaria. Only explosives were exported to these last three, whereas ammunition and explosives were exported to the others.
- 9. The complex is considered in Yugoslavia to be a model of a modern ammunition and explosives factory and is given the greatest consideration and financial support. The machinery, of the newest and most modern design, was imported for the most part from Germany [] and also, to a small extent, from the West. In 1962 machinery arrived from the USSR. ^{1/}

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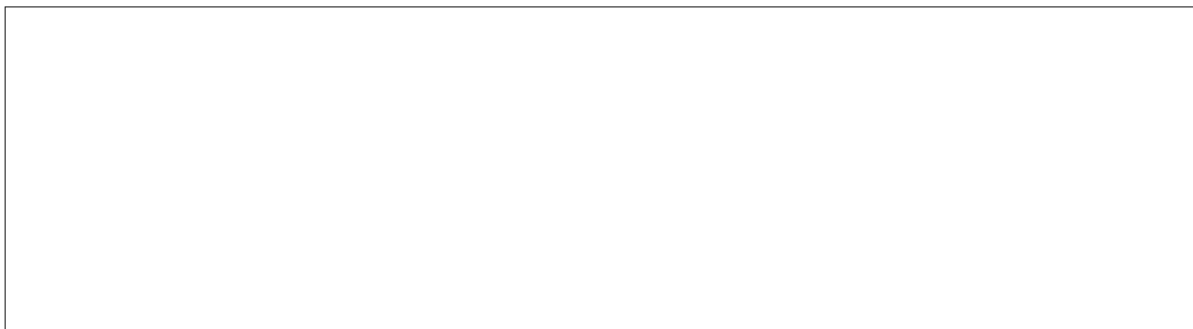
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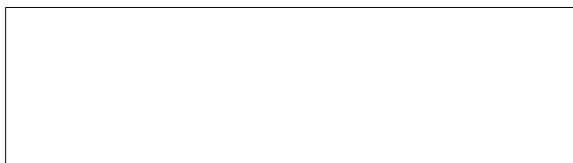
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10. Yugoslav technicians from the VTI often accompanied Russian technicians. According to rumor there was research and work under way on missile propellants, for which the data had been supplied by the USSR.

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Attached: Map showing exact location of subject factory (1 page)



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